

# FOREIGN POLICY BULLETIN

*An analysis of current international events*



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## **Asian Crisis Forces Re-examination of U.S. Policy**

WASHINGTON—The current offensive of the Chinese Communist armies in Korea is forcing the United States to make that re-examination of its foreign policy which was a subject of partisan controversy in Washington during the weeks immediately following the November elections. The ability of the United States to choose alternatives is compromised by the possibility that militarily the United Nations forces may not be able to hold any portion of Korea.

While it is conceivable that the crisis in Korea is not in fact the prelude to the kind of general war which the world has twice experienced in the twentieth century, the sudden discovery that the war to halt the spread of Soviet influence in Asia cannot be easily won endangers the continuation of the three-year effort to halt the spread of Soviet influence in Europe. Ever since the spring of 1947, when Congress and the Executive accepted the idea of containment embodied in the Truman Doctrine, the United States has focused its attention on Europe. Today, however, this country, even in combination with the majority of the United Nations, lacks the military strength to defend Europe and Asia simultaneously.

### **U. S., Asia and Europe**

The dilemma thus created for the United States, implicit since the beginning of the Korean war in June, became obvious on November 27, when the Chinese Communists turned General Douglas MacArthur's "end-of-the-war" offensive into a retreat. The decision of British Prime Minister Clement Attlee on November 30 to visit President Truman in

Washington at once further highlighted the crisis. The problem for the United States is not solely how to prevent a major war, but also how best to strengthen the non-Soviet portion of the world.

Some Americans who favor concentration on Europe fear that a relentless prosecution of the Korean war to a triumphant military end would lead to weakness instead of strength because of the likelihood that, even if the campaign did not result in a general war, it would engage a vast number of American troops on a disadvantageous battlefield for a long period of time. Other Americans, who have influence in Congress, consider Europe of inferior strategic importance to Asia and in the past have recommended that we engage ourselves deeply in Asia in order to restore control of China to Generalissimo Chiang Kai-shek. The logical implementation of that point of view now calls for carrying the war into China. In its agony of indecision about the course to be followed in Korea, the Administration is even more sharply aware of this opinion than it has been in the past.

In advance of Prime Minister Attlee's arrival in Washington, the dominant attitude in the Administration was that the United Nations should continue to seek a military solution to the Korean problem without extending the struggle to China either in the air or on the ground. Another view within the government was that the United Nations forces should seek a military-diplomatic solution by establishing a firm military line where the Korean peninsula joins the mainland and then terminating the conflict by negotiation. A still more conciliatory suggestion

was that the United States should explore at once, with the Chinese mission to the UN which arrived in this country on November 21, the possibility of a negotiated settlement. Some pessimists have held that the Chinese Communists, while interested in Korea themselves, are primarily carrying out a Russian mission and that therefore the only fruitful negotiations would be with Moscow, perhaps at the price of concessions in Germany.

The chief support for all-out American intervention in China itself has come from General MacArthur. In his statement to the *United States News and World Report* on December 1 the General stated that his lack of authority to strike the Chinese in China subjects him to "an enormous handicap without precedent in military history."

### **Official Reaction to Crisis**

President Truman on November 30 momentarily gave the world the impression that he himself favored drastic retaliation against China when he said at his press conference that the United States would consider use of the atomic bomb. Although the White House disclosed subsequently that no policy decision to use the A-bomb has been made, the news of the President's remark intensified public opposition in Europe to support for any American policy that implies unlimited engagement in Asia. While General MacArthur may have suffered damage to his reputation because he did not anticipate the Chinese offensive, his opinions still carry great weight in some quarters of Congress, and the possibility exists that the Administration, measuring congressional sentiment, will

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conclude that a total engagement in Asia is unavoidable.

In a private discussion with the Senate Foreign Relations Committee on November 28, Secretary of State Dean Acheson disclosed his concern over the possibility that disturbances in Europe advantageous to the Soviet Union would break out while we were preoccupied with Asia. Intelligence reports, however, do not reveal preparation for military action by eastern European nations. Through Warren R. Austin, the American representative to the UN, the Truman Administration on November 29 sought to turn the Chinese Communists from their course by confronting them with the condemnation of the world. Austin asked the Security Council to vote for the resolution intro-

duced on November 10 calling for the withdrawal of Chinese troops from Korea. The Soviet Union on November 30 vetoed this resolution, which will now be submitted to the General Assembly.

In a public address Secretary Acheson on November 29 said that "no one can guarantee that war will not come" as a result of the "brazen aggression" by the Chinese Communists (whose UN mission on November 28 condemned the United States for "its criminal act of armed aggression against the territory of China, Taiwan, and armed intervention in Korea"). President Truman on December 1 accused the Chinese Communists of furthering "the imperialist designs of the Soviet Union."

Since Japan's ability and will to fight

were rapidly deteriorating when the atomic bombs struck it in August 1945, with seemingly decisive effect, it remains unknown whether one power could overwhelm another simply by atomic bombing raids, and ground action might become a necessary complement to the aerial action. Judged by present manifestations of world attitudes, the bombing itself might isolate the United States from its current allies. The main points of policy now undergoing re-examination are whether the United States should carry forward its Korean war policy at the risk of inciting war in exposed Europe (or exhausting us for some future European war) and whether we should conduct our foreign policy alone if our allies do not support us.

BLAIR BOLLES

## ***Britain Seeks to Moderate Western Policy in Asia***

The need to work out a unified political policy for the Western powers in view of the grave threat in the Far East brought Prime Minister Clement R. Attlee to Washington on December 4 not only as spokesman for Britain but for Europe. Events in Korea have moved so swiftly that nations like Britain are uncertain as to what their exact commitments are. They know the dangers of Western disunity; yet they cannot but regard the prospects before them—either war with Communist China which will drain the resources of the United States or an immediate general war when their defenses are unprepared—with dire alarm. Both President Truman and Secretary of State Dean Acheson have asked them to stand firm in a united front. Mr. Attlee, while answering this plea in the affirmative, wants to know just how far Washington expects London to go.

### ***Western Disunity***

It is clear enough now that the lack of a clear-cut Western policy has encouraged the Chinese Communist venture into full-scale intervention in the Korean conflict. General Douglas MacArthur may have remained within his political directives, but these directives were vague precisely because the United States, Britain and other nations failed to agree on the best means of keeping the war localized. It was no accident, certainly, that General Wu Hsiu-chuan's 10,000-word harangue before the Security Council on November 28 was directed at so-called United States aggression against Formosa. President Truman's June 27 order to the Sev-

enth Fleet to neutralize Formosa has been regarded by the British as a unilateral action in which they themselves were not involved.

Washington and London have been out of step since last January when Britain extended recognition to the Peiping regime. The British expected Communist China to be admitted to the United Nations before the Korean war began. Although they appreciate the disadvantages of bringing in the Mao Tse-tung regime now that it is engaged in full battle with UN forces, they would probably be willing to accept a diplomatic settlement which would include giving China's UN seat to the Communists. Ultimately they might also be willing to see the American cordon around Formosa lifted. Such a settlement would be widely regarded as appeasement in this country, but not in Britain, for the British have long felt that these concessions represent realism.

This view is not held solely by the left wing of the Labor party, or those who favor a "soft" policy toward communism. For instance, as early as November 15 before the large Chinese Communist offensive, the Marquis of Salisbury, Conservative leader in the House of Lords, stated that "the danger of our present position is that we have, if anything, advanced too far." On November 16 Winston Churchill warned in the House of Commons of "the great importance of our not becoming pinned down in China or in the approaches to China at a time when the danger in Europe undoubtedly should be occupying all our minds." Both Mr. Churchill and former

Foreign Secretary Anthony Eden in the foreign affairs debate in Commons November 30 and December 1 stated that they had been in favor of halting UN troops at the "wasp waist" of Korea pending negotiations. Mr. Churchill has also reiterated his suggestion for high-level discussions with Russia.

### ***Recognition Defended***

In this debate, held as the result of initiative taken by left-wing critics of the government's foreign policy, Foreign Secretary Ernest Bevin stated that he had received assurances that United States and British policy were identical—to resist aggression, to localize hostilities and to settle the Korean problem on a basis satisfactory to the UN. He also asserted that General MacArthur's objectives "are no more and no less than the objectives of the United Nations." On the other hand, this did not prevent him from defending British recognition of Peiping and stating that he still favored representation of Communist China in the Security Council. "Indeed," he continued, "I believe that some of the difficulties with which we are now faced in the Far East would have been avoided if there had been the opportunities for a mutual discussion of the problems which membership in international bodies affords."

President Truman's press conference statement on November 30 that the use of the atomic bomb was under consideration came as the opposition and responsible newspapers in Britain were calling for high-level Anglo-American discussions. Although the statement was re-

garded calmly once its full text was available, it undoubtedly added one more sobering note to British opinion and contributed to Prime Minister Attlee's decision to come to Washington. Britain, with its blitz experience and its concentration of urban targets, cannot fail to be alarmed by the prospects of an atomic war. Moreover, it is inclined to feel, as the *London Times* stated on December 1, that "the decision to use so fearful a weapon as the atomic bomb could only be made, clearly, by the spokesmen of the whole free world."

It appears from dispatches about Mr. Attlee's conference with French Premier René Pleven that the British Prime Min-

ister has conveyed French as well as British concern that the "whole free world" should have a fuller voice in the making of political decisions. According to Raymond Daniell, *New York Times* correspondent in London, the House of Commons approved of the Attlee decision in the belief that it was high time "that United States impetuosity be tempered with British phlegm." The *Economist*, discussing Chinese intervention on November 11, commented that in the struggle between Stalinism and the free world there was the assumption on both sides that neither wants nor is ready for a world war. "Each, in case it might be wrong, makes formidable military and

ideological preparations. Each is sufficiently ill-informed or doubtful about the intentions of the other to read into a breach of the rules of cold war more than may be intended. One side's 'war of liberation' is the other side's 'defense against aggression,' and each treats the other's definitions as bogus."

If this analysis is correct, then the British feel that the clock is set, not at 1938—when an inevitable war was merely postponed—but at 1914—when a war that might have been avoided was brought about because, as Lloyd George put it, the great powers blundered and stumbled into it.

WILLIAM W. WADE

## ***Economic Problems Overshadow War in Asian Minds***

The entrance of Chinese armies into the Korean conflict, bringing about, in General MacArthur's words an "undeclared war," has made it more urgent than ever for the United States to assess the attitude Asian nations might take toward an all-out war between China and the United Nations. It has already been pointed out\* that responsible Asians, including those most opposed to Russia and communism, look with disfavor on some of the political leaders hitherto supported by Washington—notably Chiang Kai-shek, Syngman Rhee and Bao Dai. But even if the Asian peoples should change their political outlook under the impact of Peiping's military activities, the unstable character of their relatively underdeveloped economies would strictly limit the assistance they could give the United Nations against China.

### ***Precarious Economies***

It is not easy for Americans to imagine the difficulties faced—in an era when modern industry is needed to underpin modern armaments—by countries which, in spite of often great natural resources, still subsist at an extremely low standard of living. This standard, as the *Gray Report on Foreign Economic Policies* succinctly points out, is "reflected in per capita income averaging below \$100 in important countries, low levels of literacy, and poor conditions of sanitation and health, with life expectancy at birth being 30 years or less in many countries." Under these circumstances the task of merely eking out a bare existence from day to day so preoccupies men and wom-

en that wars and rumors of wars, in Korea or elsewhere, appear far less important than they do in the United States and the advanced nations of Western Europe. It is not that the Asian peoples are indifferent to the course of world events, but their limited energies and resources are already committed to the struggle for survival at home, leaving little or no margin for participation in struggles outside their borders.

There is practically no disagreement, among Asians as well as among non-Asian observers, concerning the basic problems of the region and possible remedial action. The consensus is summed up in the Gray report: "Numerically, peasants comprise the bulk of the area's population. Their poverty and grievances provide the major underlying and chronic bases for political unrest. In recent decades agricultural production has not kept pace with population growth, with the result that the food position of the area as a whole has worsened significantly. In a real sense, the newly established non-Communist governments of this region are on trial before their own people, with their status largely dependent upon their success in finding solutions to their economic problems, and in some areas to the agrarian problem in particular."

Moreover, several of the Asian countries are geographically close to the U.S.S.R.; and while the Russian standard of living seems very low to Americans, it is often considerably higher than that of Russia's neighbors in Asia. Since, as the Gray report points out, "these countries no longer accept poverty as an inevitable fact of life," comparisons with the economic methods and results of the U.S.S.R. are

apt to foster unrest and to fan Communist propaganda. (Russia's estimated per capita national income of \$308, which is the lowest of all industrialized and semi-industrialized nations of Europe with the exception of Poland, should be compared with \$100 for Japan, \$57 for India, \$27 for China and \$25 for Indonesia).

There is now a tendency in the United States to make caustic comments about earlier descriptions of the Chinese Communists as "agrarian reformers." No well-informed expert on China, however, had contended that the Chinese Communists were preoccupied exclusively with agrarian reform. What must be understood is that an important element in the success of the Chinese Communists was that they, in contrast to the Kuomintang, did see the need for land redistribution and seized upon it in their appeals to the people. Under conditions now existing in Asia no political group and no government that hopes to win and keep popular support can conceivably neglect the agrarian problem. The urgent need for land reform is recognized by all responsible Asian leaders, irrespective of party labels; and land reform was emphasized in the November issue of *Fortune* as the most effective weapon against communism.

### ***UN Supervision Preferred***

Washington is well aware of this fundamental need and has already sponsored land reforms in Japan and, before the present war, in South Korea. It has discovered, however, to quote the Gray report, that "in some underdeveloped countries governments are unresponsive to the needs of their people." The United States is consequently faced with the question

\*"Lack of Alternatives Limits U.S. Policy in Asia," *Foreign Policy Bulletin*, December 1, 1950.



whether it should continue to give financial and, in some instances, military aid to Asian regimes which, while requesting help against communism, are reluctant to undertake economic and social reforms that would counteract Communist propaganda. At the same time Washington has feared until recently that if it made reforms a condition of aid, such a demand would be regarded by newly independent countries, still sensitive about sovereignty, as unwarranted intervention in their internal affairs:

However, discussions at the eleventh conference of the Institute of Pacific Relations at Lucknow, the favorable reaction of Filipinos to the Bell mission report published on October 28—and other developments as well—indicate that the people of Asia would be ready to accept supervision of financial assistance extended to them by the advanced Western nations. But they would prefer that any assistance given by the United States, under Point Four and other programs, should be channeled through the United Nations and the specialized international agencies. This procedure, they believe, would assure the United States that its contributions will not be dissipated by corrupt or incompetent governments without reaching the masses of the people and, at the same time, would spare the sensibilities of the recipient nations, thereby averting the charge of “imperialism” which might otherwise be leveled at Washington.

The six-year Colombo plan for economic development of South and South-east Asia announced by seven Commonwealth countries (Australia, Canada, Ceylon, India, New Zealand, Pakistan and the United Kingdom) on November 29 envisages the possibility that as other countries—presumably the United States—join in this undertaking, an organization of participating governments would be formed. This organization, composed both of countries supplying capital and countries receiving it, would review progress, draw up periodic reports and serve as a forum for the discussion of development problems in the region. Agriculture, transport and communications, and electric power, regarded as the basic development requirements, account for over 70 per cent of the total expenditures

of \$5 billion contemplated in the Colombo plan, with 10 per cent allocated to industry and 10 per cent to “social capital”—housing, health and education.

In contrast to other Asian peoples, the Filipinos, with nearly 50 years of experience in working with the United States, have indicated a preference for American rather than international supervision of financial aid disbursements. On November 14 President Elpidio Quirino and William C. Foster, director of the Economic Cooperation Administration, signed an agreement at Baguio which provides for American aid totaling \$250 million over a period of five years on condition that the Filipino government carries out political and economic reforms recommended by the Bell mission. The report of this mission, headed by Daniel Bell, banker and former Undersecretary of the Treasury, is radical in the proper sense of the term, going, in the case of the Philippines, to the roots of the difficulties created by the underdeveloped condition of Asian economies and their relations with advanced industrial nations. The Bell report marks a milestone in American thinking about Asian problems. The program it proposes for the Philippines, if effectively implemented, would provide the United States with a dynamic and promising answer to the challenge of communism in Asia.

VERA MICHELES DEAN

(This is the sixth and last article in a series on current problems in Asia.)

### Branch and Affiliate Meetings

PROVIDENCE, December 8, *U.S. Policies Regarding the British Commonwealth*, Livingston Satterthwaite

NEW YORK, December 11, *Germany—Peril or Promise*, Franz Neumann

ST. LOUIS, December 11, *Living Behind the Iron Curtain*, A. K. Niebieszcanski

ST. PAUL, December 12, Minneapolis and St. Paul Branches' reception for the Honorable Dean Acheson

WORCESTER, December 13, *Will Russia Continue to Dominate the Balkans?*, Theodore I. Fabinyi, Lafayette L. Marchand

BOSTON, December 14, *Would Germany Be a Dependable Ally?*, Dana Schmidt, Ernest Pisko

CLEVELAND, December 14, *U.S. and USSR—Possessors of Power*, Vera M. Dean

NEW YORK, December 14, *Germany—Promise and Peril*, Telford Taylor

NEW YORK, December 16, Student Forum, Fred W. Riggs

MILWAUKEE, December 16, *Britain's Policy in the World Today*, Sir Oliver Franks

## News in the Making

**DEFENSE TALKS SPURRED:** While Chinese advances in Korea have strengthened “neutralism” in Europe, they have also spurred efforts to build a European army and a North Atlantic defense system. Prime Minister Clement Attlee of Britain and France's Premier René Pleven, while discussing the struggle in Korea in London on December 2, also reached agreement on compromise proposals regarding the use of German armed forces. General Dwight Eisenhower may be named supreme commander by the year's end.

**RAW MATERIAL PARLEY:** The European Marshall Plan Council decided on December 2 to send a committee of experts to Washington, where it will seek American-European cooperation on a program of controlling prices and supplies of strategic raw materials. Europeans are worried that this country's stockpiling program may interfere with their desire to allocate supplies in order to fill their own military and industrial needs. The division of responsibility for raw material control between the Marshall Plan Council and the North Atlantic Treaty Organization will also require clarification.

**LIBYA NAMES A KING:** The former Italian colony of Libya, which occupies a strategic geographic position in North Africa and has been administered since World War II by Britain and France, took an important step toward full independence under UN auspices on December 3. On that day the newly chosen National Constituent Assembly decided to form a federal government, composed of Cyrenaica, Tripolitania and the Fezzan, and confirmed the choice of the Senussi Emir, Sayed Mohammed Idris, as constitutional monarch of the new state.

**ANGLO-IRAQI DISCORD:** In addition to its dispute with Egypt over the London-Cairo treaty of 1936, Britain is having trouble with another Middle Eastern ally, Iraq. Expressing sympathy for the Egyptian point of view, Iraqi Premier Nuri as Said declared on November 27 that his country's 20-year treaty with Britain was “outdated and incompatible with current world developments.” Under the pact Britain maintains air bases in Iraq.

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